

C O N F I D E N T I A L SECTION 01 OF 02 DUBLIN 000780

SIPDIS

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TAGS: PREL EUN

SUBJECT: SAID THE TIGER TO THE DRAGON: READOUT OF
IRELAND-CHINA BILATERAL MEETINGS

Classified By: DCM Jane B. Fort for reasons 1.4 (b) and (d)

SUMMARY

¶11. (C) Visiting Ireland May 11-12, Chinese Premier Wen Jiabao met Irish President Mary McAleese, Dail (Parliament) Speaker Rory O'Hanlon, and Chairman of the Senate Rory Kiely before extended, substantive discussions with the Taoiseach (Prime Minister) Bertie Ahern. Wen then visited Iona Technologies in Dublin, the Shannon Free Trade Zone, and the University of Limerick. The Irish were left with the impression that Wen and his entourage were modern, pragmatic and eager-to-learn how the Chinese dragon could emulate the economic wonders of the Irish "Celtic tiger." However, while ready to take on board Irish economic and education ideas, the Chinese were not ready to embrace the modern political practices that were the sine qua non of Ireland's success.
End Summary.

¶12. (C) Poloff spoke May 18 with Cliona Manahan Leslie, Director of the DFA's Asia and Oceania branch, who had just several completed days of meetings in Ireland and in Brussels covering China's visits. She described a businesslike and open atmosphere for dialogue encouraged by the Chinese who clearly came "to learn how Ireland succeeded." Manahan Leslie, an experienced (and enthusiastic) China watcher, was left with "real hope for the future" regarding Chinese development and relations with the EU.

¶13. (U) Meetings on May 17 included one with President Mary McAleese, which was cordial and pro forma. A meeting with Dail Chair O'Hanlon resulted in the call for more development of Irish-Chinese relations through enhanced exchanges with the Chinese National Peoples' Congress and other agencies.

LOOKING TO LEARN FROM THE CELTIC TIGER

¶14. (C) The extended exchanges with the Taoiseach were substantive and wide ranging, according to Manahan Leslie. She recalled Wen saying he had come to Ireland "to learn how Ireland's economy grew so fast." While open to a free exchange of ideas, the Chinese were not ready to admit the need for political liberalization, she added.

¶15. (C) China has problems with sustainable development and they know it. Their economy "is growing too fast, there are too few controls on construction, and gas consumption is too high," Wen is reported to have said.

¶16. (C) The Chinese were told that the Irish economy took off in the 1990's because economic support structures were in place, such as liberalized banking rules, a good educational system, and low taxes relative to the rest of the EU. These in turn led to significant foreign direct investment from both sides of the Atlantic.

¶17. (C) According to Manahan Leslie, Wen admitted that China would "have to come more to Ireland (to learn) and to "do more at home to improve conditions" for sustainable investment. This includes getting young people out of the country to travel and be educated abroad. (Note: Ireland already hosts 40,000 to 50,000 Chinese, mainly students on work-study visas in Dublin and other cities. There are also many migrant workers and professionals, according to local press reports. The Irish Chinese Information Center, which advises newly arrived students, reports that students come to Ireland to learn English because the education system here is substantially cheaper than in the U.S. or U.K., other prime destinations. End note.)

¶18. (C) And what about democracy and the rule of law? "The Chinese didn't want to discuss those," Manahan Leslie admitted, although the Irish did "cover all the expected topics," such as human rights.

NO PRESS PLEASE, WE'RE CHINESE

¶19. (C) The Irish, presumably at the behest of the Chinese, abruptly canceled a scheduled press conference in the late afternoon after the May 11 meetings. The public reason given was that the meetings had run well over time so there was no time for the press. Manahan Leslie added to Poloff that Dublin was the Chinese's last stop and everyone was tired. However, Poloff pointed out that if the Chinese were eager to

present a new face to the West to attract investment, a press conference would have been a prime opportunity. Thus pressed, Manahan Leslie admitted that the Chinese still "just don't care about or respect the press." She added that Chinese openness to modernization would have to "translate into activity" on press fronts for China to maintain its forward progress. She based her long-term hopes for China's future on developments such as the planned EU-China professional exchanges, including meetings of Parliamentarians.

COMMENT

¶10. (C) We caught up with Manahan Leslie shortly after Wen's entourage left Europe. She was clearly enthusiastic over the visit. Wen's tone and the bearing of the Chinese delegation impressed her deeply. An outspoken China watcher for many years, she found this Premier and his entourage more professional and ready to face the future than previous ones.

Nevertheless, the Irish note that the Chinese dragon still ignores the elephant in the room, that is, the need for political reform, including press freedom, that is an essential part of the formula for sustainable development.

KENNY